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No.

IN THE

Supreme Court of the United States

OCTOBER TERM, 1995

KOCH OIL COMPANY,

Petitioner,

v.

COMMITTEE OF CREDITORS HOLDING UNSECURED CLAIMS AGAINST POWERINE OIL COMPANY, DEBTOR IN BANKRUPTCY,

Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

MOTION FOR LEAVE TO FILE BRIEF OF AMICUS CURIAE AND BRIEF OF AMICUS CURIAE THE U.S. COUNCIL ON INTERNATIONAL BANKING, INC. IN SUPPORT OF PETITIONER

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MOTION FOR LEAVE TO FILE BRIEF OF AMICUS CURIAE

NOW COMES The U.S. Council on International Banking, Inc. ("USCIB"), and, with the consent of petitioner Koch Oil Company, but without the consent of respondent Committee of Creditors Holding Unsecured Claims Against Powerine Oil Company (which has refused consent), respectfully requests for the reasons described below that this Court grant this motion and receive the amicus brief of the USCIB, which supports the petition.

The USCIB is a non-profit association of the leading banks engaged in the United States in letter of credit operations. The USCIB supports the petition because the divided opinion of the Court of Appeals for the Ninth Circuit in this case severely and needlessly inhibits proper

uses of standby letters of credit. Standby letters of credit are legitimate and widely used security devices that are an important source of credit support for businesses that cannot buy new goods and services on an unsecured deferred payment basis. Payments to a supplier for goods delivered after issuance of a standby letter of credit should not be recoverable from the supplier as preferential. Like cashier's checks held until a transaction closes, transactions secured by standby letters of credit involve a substantially contemporaneous exchange and no net diminution of the purchaser's estate.

Preference challenges to standby letters of credit should be limited to those few that are taken during the applicable preference period to secure antecedent debt. The opinion in this case puts standby letters of credit worth billions of dollars at risk and will needlessly increase paperwork and costs as parties use more letters of credit requiring direct bank payments for each delivery. The opinion in this case thus impedes the free flow of commerce, needlessly increases the cost of credit, and devalues standby letters of credit.

Respectfully submitted,

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Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

BRIEF OF AMICUS CURIAE THE U.S. COUNCIL ON INTERNATIONAL BANKING, INC. IN SUPPORT OF PETITIONER

INTEREST OF THE AMICUS CURIAE

The U.S. Council on International Banking, Inc. ("USCIB") is a non-profit association. Its over 350 members, listed in Appendix A, are domestic and foreign banks engaged in international banking operations, including letter of credit operations, in the United States. They account for over 90% of the letters of credit outstanding in the United States.

Since its establishment in 1924, the USCIB has played a leading role in the articulation of letter of credit law and practice. The USCIB initiated the drafting process

that preceded adoption of the Uniform Customs and Practice for Documentary Credits in 1933 and has played a significant role in each of the subsequent revisions. The USCIB was actively involved in the original codification and recent revision of domestic letter of credit law in Article 5 of the Uniform Commercial Code and in the development of an international Convention on Independent Guarantees and Stand-by Letters of Credit by the United Nations Commission on International Trade Law. Every year throughout the United States the USCIB organizes conferences and workshops and supplies speakers and materials for the continuing education of bankers and bank customers in letter of credit law and practice.

The USCIB's members are located in all U.S. centers of international banking and are involved in all aspects of letter of credit practice in an international as well as domestic context. Accordingly, the USCIB's interest is that letter of credit law and practice be workable, balanced, predictable, and universal. The USCIB is interested in letter of credit law and practice as applied in the courts, as well as at bank counters. In this regard, the USCIB desires that U.S. court decisions uphold the reliability and value of letters of credit and provide neither advantage nor disadvantage to U.S. letters of credit vis-à-vis the rest of the world.

SUMMARY OF ARGUMENT

Letters of credit are unique payment and security devices that, because they are "independent," are enforceable by the beneficiary against the issuing bank notwithstanding the applicant's bankruptcy. The letter of credit in this case was received before the beneficiary

extended credit to the applicant. It remained outstanding until, as contemplated by its "standby" terms, the beneficiary received payment from the applicant, and, having served its "standby" function, it expired. Each year standby letters of credit worth many billions of dollars similarly are issued and expire without drawing.

In this case, the payments received from the applicant by the beneficiary of a standby letter of credit were held to be preferential under 11 U.S.C. § 547(b). There is precedent for treating letters of credit as preferential to the extent that, when taken, they secure antecedent debt. The opinion in this case, however, goes far beyond that precedent. It penalizes a beneficiary for relying on a standby letter of credit as security for future transactions simply because the issuer is not fully secured by the applicant's assets, which is a matter beyond the beneficiary's knowledge or control. The opinion thus creates an unwarranted exception to the "independence" principle provided in domestic and international letter of credit law and practice, devalues outstanding standby letters of credit, and needlessly drives prospective users toward less efficient types of credit support.

ARGUMENT

Powerine Oil Company ("Powerine") requested First National Bank of Chicago ("FNBC") to issue irrevocable standby letters of credit in favor of petitioner Koch Oil Company ("Koch") to secure payment for future deliveries of oil by Koch to Powerine. After receiving FNBC's standby letters of credit, Koch sold and delivered oil to Powerine for which Koch received payment from Powerine. FNBC's standby letters of credit were at all times suffi-

cient in amount to pay the amounts due from Powerine in the event that Powerine failed to pay. *In re Powerine Oil Co.*, 59 F.3d 969, 971 (9th Cir. 1995).

Powerine filed a Chapter 11 bankruptcy petition more than 90 days after Koch received FNBC's standby letters of credit but fewer than 90 days after Koch received payment from Powerine. After that filing and after FNBC's standby letters of credit expired, Koch's receipt of payment was challenged as a preference under 11 U.S.C. § 547(b). The bankruptcy court held that the payment was protected by the "contemporaneous exchange for new value" exception of 11 U.S.C. § 547(c)(1). The Bankruptcy Appellate Panel held that the payment was not a preference under 11 U.S.C. § 547(b)(5), because it did not enable Koch to recover more than it would in a Chapter 7 liquidation. 59 F.3d at 971.

A divided Court of Appeals reversed, concluding that

> . . . it was error to consider the right to draw on third-party letters of credit in deciding whether Koch had received a preference.

59 F.3d at 973. The Court of Appeals also concluded that Powerine's payment to Koch was contemporaneously exchanged for new value to Powerine only to the extent that FNBC's reimbursement right against Powerine was secured by Powerine's assets. 59 F.3d at 973. On that basis, it remanded the case to the bankruptcy court to determine how much of FNBC's contingent reimbursement right was secured. 59 F.3d at 974.

The Court of Appeals decision treats a beneficiary's rights under a solvent bank issuer's standby letter of credit as valueless upon applicant bankruptcy, even though the beneficiary received the letter of credit before

extending credit to the applicant. The beneficiary's rights under the letter of credit were accorded no value in determining whether a payment received by the beneficiary from the applicant was a preference or whether it was exchanged for new value when received in lieu of drawing under the letter of credit. The Court of Appeals valued that exchange, not by reference to the drawing rights notionally released by the beneficiary to the issuer, but by reference to the collateral notionally released by the issuer to the applicant.

All letters of credit function "to substitute the financial integrity of a stable credit source (usually a bank) for [the applicant's] own." *Alaska Textile Co., Inc. v. Chase Manhattan Bank, N.A.*, 982 F.2d 813, 815 (2d Cir. 1992). The issuer's obligation to pay the beneficiary's drawing under the letter of credit is independent of the applicant-issuer relationship expressed in the application for issuance of the letter of credit and is independent also of the applicant-beneficiary relationship expressed in the underlying sale or other contract secured by the letter of credit. An issuer is thus obligated to pay a demand that complies with the terms and conditions of the letter of credit, whether or not the issuer's reimbursement rights are secure. "The great utility of the letter of credit derives from the fact that these three relationships are utterly independent of one another." *Alaska Textile*, *supra*, at 815.

The "independence" of the letter of credit is recognized and relied upon in international practice. *See, e.g.*, Article 6 of the Uniform Customs and Practice for Documentary Credits, 1983 revision, International Chamber of Commerce Publication No. 400, *reprinted in* John F. Dolan, *The Law of Letters of Credit*, App. A (2d Ed. 1991)

("A beneficiary can in no case avail himself of the contractual relationships existing between the banks or between the applicant for the credit and the issuing bank.") The letter of credit "independence" principle is part of the law merchant. *See, e.g., Alaska Textile, supra*, at 816 ("Letters of credit are *sui generis* . . . governed by the *lex mercatoria* . . . and, in applying this body of law, we are appropriately solicitous of the necessities of commerce and of developments in other jurisdictions"); Section 5-103(d) of Revised Article 5 of the Uniform Commercial Code (1995) ("Rights and obligations of an issuer to a beneficiary or a nominated person under a letter of credit are independent of the existence, performance, or nonperformance of a contract or arrangement out of which the letter of credit arises or which underlies it, including contracts or arrangements between the issuer and the applicant and between the applicant and the beneficiary.")

Standby letters of credit commonly provide for drawings only after a default in the underlying transaction. *See FDIC v. Philadelphia Gear Corporation*, 476 U.S. 426, 428 (1986) ("Because the letter of credit was intended to provide payment to the seller only if the buyer of the invoiced goods failed to make payment, the letter of credit was what is commonly referred to as a 'standby' or 'guaranty' letter of credit.") These letters of credit literally "stand by" while the applicant and beneficiary exchange documents and payments directly, unlike commercial letters of credit under which documents for each delivery are presented to the issuer for payment. The standby is an extremely flexible and efficient type of letter of credit, particularly to secure payment for recurrent purchases of goods or services by a regular customer. A

single standby letter of credit may be issued to cover multiple transactions over a period of one or more years and be limited to an amount based on maximum exposure at any one time rather than the aggregate amount of all transactions to be covered during the life of the standby. The standby letter of credit thus avoids the paperwork and costs for all parties of issuing multiple commercial letters of credit or amendments and preparing and processing multiple drawings.

As of the close of 1994, the 300 largest domestic bank issuers had letters of credit outstanding in an amount exceeding $180 billion, of which over $30 billion were "commercial," $110 billion were "financial" standbys, and $40 billion were "performance" standbys. *See* 11 *Letter of Credit Update* 47-51 (August 1995). (Bank regulations categorize letters of credit as "commercial" or "standby" and distinguish "performance" standbys from "financial" standbys (*see, e.g.*, 12 CFR Pt. 3, App. A, § 3(b), fn. 13, 16)). Most "performance" and some "financial" standbys provide for drawing upon the applicant's failure to make a payment due to the beneficiary in the underlying transaction secured by the letter of credit. Accordingly, there are at any moment a significant number of letters of credit outstanding that "stand by" while the beneficiary awaits payment from the applicant and that provide for drawing on the issuer only if the applicant fails to pay the beneficiary. They are regularly released or allowed to expire after they have served their standby function, i.e., after the beneficiary has received all payments due from the applicant that are secured by the standby. While it is important to recognize the non-preferential status of payments received by a beneficiary from the issuer of a commercial letter of credit, it is

equally important to recognize the non-preferential status of payments received from the applicant that are secured by a standby letter of credit.

The cases applying the preference provisions of 11 U.S.C. § 547 in the context of bankruptcy of letter of credit applicants have generally respected the letter of credit "independence" principle that insulates performance of the issuer's obligations to the beneficiary from the applicant's obligations to the issuer. *See, e.g., Security Servs. Inc. v. National Union Fire Ins. Co.* (*In re Security Servs., Inc.*), 132 B.R. 411 (Bankr. W.D. Mo. 1991); *see generally Dolan, supra*, ¶ 7.03[3]. The case law and writers recognize an exception to the rule that letter of credit beneficiaries may rely on an issuing bank's undertaking without regard to the bankruptcy of the applicant. Excepted are beneficiaries that within the applicable preference period receive a letter of credit securing antecedent debt. *See, e.g., Kellogg v. Blue Quail Energy, Inc.* (*Matter of Compton Corp.*), 831 F.2d 586 (5th Cir. 1987), *modified*, 835 F.2d 584 (5th Cir. 1988); *American Bank v. Leasing Serv. Co.* (*In re Air Conditioning, Inc. of Stuart*), 845 F.2d 293 (11th Cir.), *cert. denied*, 488 U.S. 993 (1988); *see generally Dolan, supra* ¶ 7.03[3][a]. That exception to the recognition of the "independence" of a letter of credit is defensible, because in each case in which the exception applies the beneficiary knows that the letter of credit secures antecedent debt and should know that holding a letter of credit is equivalent, but not superior, to a cash advance. That beneficiary knowingly risks entry into the "Preference Zone."

That exception for letters of credit taken during the applicable preference period to secure antecedent debt is, however, not applicable to this case. This case falls with-

in the general rule, recognized worldwide, that a letter of credit is "independent," that its value to the beneficiary is dependent on its terms and conditions and on the solvency and reputation of the issuer, not of the applicant, and that the applicant's bankruptcy does not deprive the beneficiary of the security afforded by the letter of credit.

In applying the exception for letters of credit taken during the applicable preference period to secure antecedent debt, courts have quantified the preference to the beneficiary by valuing the collateral pledged by the applicant-debtor to the issuing bank. *See, e.g., Compton, supra*, at 595. This method of quantifying the preference is itself contrary to the letter of credit "independence" principle, in that it transforms a letter of credit issuer from a primary obligor into a mere agent holding collateral for the beneficiary. Moreover, this method involves ascertaining facts over which the beneficiary has no control and to which, in day to day practice, the beneficiary would be denied access. Its application in the context of preference litigation is justifiable only because it limits the amount that might otherwise be avoided under a letter of credit received during the applicable preference period to secure antecedent debt and for which the beneficiary has provided no new value. Where, however, the letter of credit was received before the beneficiary extended credit to the applicant, there is no wrong by the beneficiary to be remedied, no right to devalue the issuer's letter of credit obligation to the beneficiary by limiting it to the value of applicant collateral pledged to the issuer, and no reason to impose on the beneficiary the risk of applicant bankruptcy after the beneficiary has delivered goods in reliance on the letter of credit.

The panel majority's opinion in this case undermines the assurances given in *Compton* that the letter of credit "independence" principle would be respected so as to protect the rights of beneficiaries other than those receiving letters of credit to secure antecedent debt. In this regard, the *Compton* court stated as follows:

> Our holding does not affect the strength of or the proper use of letters of credit. When a letter of credit is issued contemporaneously with a new extension of credit, the creditor beneficiary will not be subject to a preferential attack under the direct/indirect doctrine elaborated in this case because the creditor will have given new value in exchange for the indirect benefit of the secured letter of credit. Only when a creditor receives a secured letter of credit to cover an unsecured antecedent debt will it be subject to a preferential attack under 11 U.S.C. 547(b).

Compton, supra, at 595.

When a letter of credit is issued contemporaneously with a new extension of credit, subsequent deliveries made and payments received for the deliveries, if secured by the letter of credit, are not preferential because there is no net diminution of the applicant's estate. A letter of credit joins the beneficiary's performance with the beneficiary's receipt of payment for that performance and makes them contemporaneous. If payment is not received from the applicant as contemplated by a standby letter of credit, then the beneficiary may obtain payment by drawing on the issuer. No provision of 11 U.S.C. § 547(b)(5), or chapter 7 of the Bankruptcy Code to which it refers, would inhibit receipt and retention of payment from the issuer made under the letter of credit. In calculating how much a letter of credit beneficiary would

receive in a hypothetical chapter 7 case, 11 U.S.C. § 547(b)(5) does not limit the calculation to amounts "distributed from" the hypothetical chapter 7 estate, but includes any payment received "to the extent provided by the provisions of this title." Similarly, in determining whether a "substantially contemporaneous exchange" has occurred, 11 U.S.C. § 547(c)(1) does not require that the effect of bank undertakings—whether in the form of letter of credit or escrow agreement or of cashier's check, certified check, or banker's acceptance held by a creditor—be ignored.

Unlike *Compton*, the panel majority's holding in the case before the Court undermines the strength of a properly used standby letter of credit. In addition to conflicting with the assurances given in *Compton*, the panel majority's opinion in this case conflicts with assurances of "independence" provided in domestic and international letter of credit law and practice. It upsets the reasonable expectations of letter of credit beneficiaries. It would devalue billions of dollars worth of standby letters of credit, and, in light of the impracticality of having beneficiaries monitor the value of applicant assets pledged to issuing banks, would deprive the letter of credit community of a very popular and useful security device for which there is no equally efficient substitute.

CONCLUSION

The U.S. Council on International Banking, Inc., as Amicus Curiae, urges the Court to grant the Petitioner a Writ of Certiorari.

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APPENDIX A

USCIB MEMBER INDEX BY STATE

ALABAMA

Amsouth Bank, N.A.
Compass Bank
First Alabama Bank
SouthTrust Bank of Alabama, N.A.

ARIZONA

Bank of America Arizona
Bank One, Arizona, N.A.
First Interstate Bank of Arizona

CALIFORNIA

Community Bank
Bank of America, N.T. & S.A.
Republic Bank California N.A.
National Bank of Long Beach
ABN Amro Bank, N.V.
American Express Bank Int'l
Asahl Bank, Ltd., The
Bancomer, S.A., Los Angeles Int'l Banking Branch
Banque Paribas
City National Bank
Credit Suisse
Dai-Ichi Kangyo Bank of California
Eastern International Bank
Far East National Bank
Fuji Bank Ltd
LIPPOBANK
Manufacturers Bank
Mitsubishi Bank Ltd., The
Mitsubishi Trust & Banking Corporation
P.T. Bank Dagang Nasional Indonesia

Philadelphia International Bank
Sanwa Bank California
Standard Chartered Bank
State Street Bank International
Union Bank, Monterey Park
Imperial Bank, Redondo Beach
ABN Amro Bank, N.V.
Bank of California
Banque Nationale De Paris
Liu Chong Hing Bank Limited
Wells Fargo Bank
Silicon Valley Bank
Metrobank

COLORADO

Coergon, Inc.
CoBank
Colorado National Bank
First Interstate Bank of Denver

CONNECTICUT

Centerbank
Union Trust Company

DISTRICT OF COLUMBIA

Abu Dhabi International Bank Inc.
Riggs National Bank
U.S. Department of the Treasury

FLORIDA

ABN Amro Bank, N.V.
American Express Bank Int'l, Miami Branch
AmTrade International Bank of Florida
Banco Popular del Ecuador, S.A, Miami Agency
Banco Santander International

Banque Sudameris
Barnett Bank
Credit Suisse
First Union National Bank of Florida
Hamilton Bank, N.A.
IBJ Schroder International Bank
Jamaica Citizens Bank Ltd.
Lloyds Bank Plc Miami
NationsBank International Miami
Northern Trust Bank of Florida, N.A.
Popular Bank of Florida
Salomon Brothers Inc.

GEORGIA

ABN Amro Bank, N.V.
Bank South, N.A.
NationsBank of Georgia N.A.
Standard Chartered Bank
Summit National Bank
SunTrust Bank, Inc.
Trust Company Bank

HAWAII

Bank of Hawaii
First Hawaiian Bank

IOWA

Brenton Bank & Trust Company of Cedar Rapids
Firstar Bank Cedar Rapids, N.A.
Bankers Trust Company

ILLINOIS

ABN Amro Bank (Chicago Branch)
American National Bank & Trust of Chicago
Bank of America, Illinois

Caisse Nationale de Credit Agricole
Chicago-Tokyo Bank, The
Continental Bank N.A.
First National Bank of Chicago
Harris Trust & Savings Bank
LaSalle National Bank
Northern Trust Bank, The
Old Kent Bank

INDIANA

Fort Wayne National Bank
Bank One, Indianapolis, N.A.
NBD Bank, N.A.

KANSAS

U.S. Central Credit Union, Overland Park

KENTUCKY

Liberty National Bank & Trust Company

LOUISIANA

Hibernia National Bank
Premier Bank, N.A.

MARYLAND

First National Bank of Maryland
Maryland National Bank
Signet Bank

MASSACHUSETTS

ABN Amro Bank, N.V.
Bank of Boston
Fleet Bank of Massachusetts
Shawmut Bank N.A.

State Street Bank & Trust Company
Boston Safe Deposit & Trust Company
BayBank Boston, N.A.

MICHIGAN

Comerica Bank
First of America Bank
Michigan National Bank
NBD Bank
Old Kent Bank

MINNESOTA

First Bank System
National City Bank of Minneapolis
Norwest Bank Minnesota N.A.

MISSOURI

Commerce Bank of Kansas City N.A.
Mercantile Bank of St. Louis N.A.
Boatmen's National Bank of St. Louis

NEBRASKA

National Bank of Commerce Trust & Savings Assoc.
First National Bank of Omaha
Firstier Bank, N.A.

NEW JERSEY

Morgan Laboratories, Inc.
Midlantic National Bank
United Jersey Bank
Bank of Tokyo Ltd.
McDonnell Douglas Information Systems, Inc.
First Fidelity Bank N.A.
Painewebber, Incorporated

NEW YORK

Key Bank of New York N.A.
Chase Manhattan Bank N.A.
ABN Amro Bank, N.V.
Allied Irish Bank
American Express Bank Ltd.
American Management Systems, Inc.
American Scandinavian Banking Corp.
Arab American Bank
Arab Bank PLC
Arab Banking Corporation
Aslk-Cger Bank
Atlantic Bank of New York
Australia & New Zealand Banking Group Ltd.
Banca Commerciale Italiana
Banca Di Roma
Banca Nazionale Del Lavoro
Banca Nazionale dell'Agricoltura
Banca Serfin, S.A.
Banco Atlantico
Banco Bamerindus do Brasil
Banco Bilbao Vizcaya S.A.
Banco Bradesco S.A.
Banco Central Hipanoamericano S.A.
Banco De Credito Del Peru
Banco de Galicia Y Buenos Aires, N.Y. Branch
Banco De La Nacion Argentina
Banco De La Provincia De Buenos Aires
Banco De La Republica Oriental Del Uruguay
Banco Di Napoli
Banco Do Brasil, S.A.
Banco do Estado de Sao Paulo S.A.
Banco Industrial De Venezuela, N.Y. Agency
Banco International, S.A.
Banco Nacional de Mexico S.A.
Banco Nacional S.A.

Banco Portuguea Do Atlantico
Banco Real S.A.
Banco Santander, New York Branch
Bancomer, S.A.
Banesto Banking Corporation
Bangkok Bank Public Company Ltd., New York
Bangkok Metropolitan Bank, Ltd.,
Bank Audi (USA)
Bank Austria Aktiengesellschaft
Bank Brussels Lambert
Bank Bumi Daya, New York Agency
Bank Hapoalim B.M.
Bank Julius Baer & Co. Ltd.
Bank Leumi Trust Company
Bank of Bermuda Ltd. N.Y.
Bank of California International, The
Bank of China, New York Branch
Bank of Communications, New York Branch
Bank of East Asia, Ltd., The
Bank of Hawaii International Corporation
Bank of Ireland
Bank of Montreal
Bank of New York
Bank of Nova Scotia
Bank of Yokohama, Ltd., The
Bank Polska Kasa Opieki
Bank Rakyat Indonesia
Bank Saderat Iran
BankAmerica International
Bankers Trust Company
Banque Francaise Du Commerce Exterieur
Banque Indosuez
Banque Nationale De Paris
Banque Paribas
Banque Worms Capital Corp.
Barclays Bank PLC
Bayerische Hypotheken-Und Wechsel-Bank

Bayerische Landesbank Girozentrale
Bayerische Vereinsbank A.G.
Berliner Handels-Und Frankfurter Bank
BPD International Bank
Brown Brothers Harriman & Company
BSI-Banca della Svizzera Italiana
Caisse Nationale de Credit Agricole
Canadian Imperial Bank of Commerce
Cariplo Spa
Chemical Bank
Chiba Bank, Ltd.
Cho Hung Bank
Christiania Bank
Citibank N.A.
Commercial Bank of Kuwait
Commercial Bank of New York
Commerzbank A.G. New York Branch
Commonwealth Bank of Australia
Compagnie Financiere de CIC et de l'Union Europeen
Continental Bank International
Credit Commercial De France
Credit Lyonnais
Credit Suisse
Creditanstalt-Bankverein
Credito Italiano
Dai-ichi Kangyo Bank, Ltd., The
Daiwa Bank Trust Company
DBS Bank
Den Danske Bank
Deutsche Bank AG
DG Bank (Deutsche Genossenschaftsbank)
Dresdner Bank A.G.
Extebank
Federal Reserve Bank of New York
First Bank of the Americas
First Chicago International, New York Branch
French American Banking Corp.

Fuji Bank Ltd.
Generale Bank
Girocredit Bank
Goldman Sachs Trust Company
Gulf International Bank, New York
Harris Bank International Corporation
IBJ Schroder Bank & Trust Company
Industrial Bank of Japan, Ltd.
ING (US) Capital Holdings Corp.
International Commercial Bank of China, The
International Finance Banking Corporation
Israel Discount Bank of New York
Istituto Bancario San Paolo Di Torino Spa
Kansallis-Osaka-Pankki (New York Branch)
Kapiti, Inc.
Korea Exchange Bank, New York Branch
Kredietbank, N.Y. Branch
Landesbank Hessen-Thueringen
LBS Bank-New York
Lloyds Bank Plc
Long-Term Credit Bank of Japan, Ltd.
Manufacturers And Traders Trust Company
Marine Midland Bank
MeesPierson
Merchants Bank of New York, The
Merrill Lynch International Bank
Mitsubishi Bank Ltd., The
Mitsubishi Trust & Banking Corporation
Mitsui Trust & Banking Company, Ltd.
Monte del Paschi di Siena
Morgan Guaranty Trust Company of N.Y.
MTB Bank
Multibanco Comermex S.A
National Australia Bank Ltd.
National Bank of Canada
National Bank of Kuwait
National Westminster Bank PLC

NationsBank International
NatWest Bank, N.A.
Nippon Credit Bank, Ltd
Norddeutsche Landesbank Girozentrale
Northern Trust Int'l Banking Corp., The
Norwest Bank International
Park Avenue Bank, N.A., The
Philadelphia International Bank
PNC Bank International, New York
Postipankki Ltd.
PT. Bank Dagang Negara (Persero) N.Y. Agency
Rabobank Nederland
Republic National Bank of New York
Royal Bank of Canada
Royal Bank of Scotland Plc
Sakura Bank Limited
Sanwa Bank Ltd. New York
Siam Commercial Bank, Ltd.
Skandinaviska Enskilda Banken
Societe Generale
Standard Chartered Bank Ltd.
State Bank of India
State Street Bank International
Sterling National Bank & Trust Company
Sumitomo Bank Ltd., The
Sumitomo Trust & Banking Co., Ltd
Svenska Handelsbanken
Swedbank
Swiss Bank Corporation
Thai Farmers Bank Public Co., Ltd.
Tokai Bank Ltd.
Toronto-Dominion Bank, The
Unibanco-Uniao De Bancos Brasileiros S.A.
Unibank A/S
Union Bank of Finland Ltd.
Union Bank of Switzerland
United Bank of Kuwait Plc., The

United Overseas Bank, Ltd.
Westdeutsche Landesbank
Westpac Banking Corporation
Yasuda Trust & Banking Co., Ltd., The
Nordbanken New York Branch
European American Bank

NORTH CAROLINA

First Union National Bank of North Carolina
NationsBank of North Carolina, N.A.
Southern National Bank
First Citizens Bank
Wachovia Bank

OHIO

Fifth Third Bank, The
Provident Bank, The
Star Bank, N.A.
National City Bank, Cleveland
Society National Bank
Bank One, Columbus, N.A.
Huntington National Bank, The

OKLAHOMA

Bank of Oklahoma, N.A.
Liberty Bank & Trust Company of Tulsa, N.A.

OREGON

First Interstate Bank of Oregon, N.A.
U.S. National Bank of Oregon

PENNSYLVANIA

Dauphin Deposit Bank & Trust Company
CoreStates Bank N.A.

Meridian Bank
ABN Amro Bank, N.V. Pittsburgh Branch
Integra Bank
Mellon Bank
PNC Bank, National Association

TENNESSEE

First Tennessee Bank, N.A.
National Bank of Commerce
Union Planters Bank
First American National Bank

TEXAS

Bank One, Texas, N.A., Dallas
NationsBank Texas, N.A.
State National Bank
Sunwest Bank
Bank One Texas N.A., Fort Worth
ABN Amro Bank, N.V. Houston Agency
Bank One, Texas, N.A., Houston
First Interstate Bank of Texas, N.A.
Philidelphia International Bank—Houston Branch
Riyad Bank—Houston Agency
Texas Commerce Bank
International Bank of Commerce
Frost National Bank

UTAH

First Security Bank of Utah N.A.

VIRGINIA

Central Fidelity National Bank
Crestar Bank

WASHINGTON

ABN Amro Bank, N.V.
Christiania Bank
First Interstate Bank of Washington, N.A.
Seattle First National Bank
U.S. Bank of Washington, N.A.
West One Bank
Key Bank of Washington
North Pacific Bank

WISCONSIN

Bank One, Milwaukee, N.A.
Firstar Bank—Milwaukee
M&I Marshall & Ilsley Bank